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By: **Delegates Dobson, Flanagan, Fulton, Harrison, Hurson, V. Jones, Kirk,  
Marriott, and Paige**

Introduced and read first time: March 5, 2001

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **School Mentoring Programs - Participation by Employees - Tax Credit for**  
3 **Employers**

4 FOR the purpose of allowing a certain credit against the State income tax for certain  
5 employers whose employees participate in a mentoring program at an  
6 elementary or secondary school in the State; providing for the application of this  
7 Act; and generally relating to a State income tax credit for certain employers  
8 whose employees participate in a mentoring program at an elementary or  
9 secondary school in the State.

10 BY adding to  
11 Article - Tax - General  
12 Section 10-722  
13 Annotated Code of Maryland  
14 (1997 Replacement Volume and 2000 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Tax - General**

18 10-722.

19 (A) (1) SUBJECT TO THE LIMITATION UNDER PARAGRAPH (2) OF THIS  
20 SUBSECTION, AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST  
21 THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 50% OF COMPENSATION THAT  
22 THE INDIVIDUAL OR CORPORATION PAYS TO AN EMPLOYEE WHO IS GRANTED LEAVE  
23 WITH PAY TO PARTICIPATE IN A MENTORING PROGRAM AT AN ELEMENTARY OR  
24 SECONDARY SCHOOL IN THE STATE.

25 (2) FOR EACH EMPLOYEE THAT IS GRANTED LEAVE TO PARTICIPATE IN  
26 A MENTORING PROGRAM AT AN ELEMENTARY OR SECONDARY SCHOOL IN THE  
27 STATE, THE CREDIT UNDER THIS SECTION MAY NOT BE ALLOWED FOR MORE THAN  
28 12 DAYS OF COMPENSATION PAID TO THE EMPLOYEE DURING A TAXABLE YEAR.

1 (B) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE STATE  
2 INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED FOR  
3 SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

4 (1) THE FULL AMOUNT OF THE CREDIT IS USED; OR

5 (2) THE EXPIRATION OF THE 10TH TAXABLE YEAR AFTER THE TAXABLE  
6 YEAR IN WHICH THE CREDIT AROSE.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 2001 and shall be applicable to all taxable years beginning after December 31,  
9 2000.